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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/769,758	01/26/2001	David G. Kessler	1980.0110001	7409

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EXAMINER	
MORGAN, ROBERT W	

ART UNIT	PAPER NUMBER
3626	

DATE MAILED: 12/29/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No.	Applicant(s)	
	09/769,758	KESSLER ET AL.	
	Examiner	Art Unit	
	Robert W. Morgan	3626	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on *06 October 2005*.

2a)☒ This action is **FINAL**. 2b)☐ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *1-3,6-17,20-23 and 25-30* is/are pending in the application.

4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) *1-3,6-17,20-23 and 25-30* is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a)☐ All b)☐ Some * c)☐ None of:

1.☐ Certified copies of the priority documents have been received.

2.☐ Certified copies of the priority documents have been received in Application No. _____.

3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☐ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08) Paper No(s)/Mail Date _____.
4) ☐ Interview Summary (PTO-413) Paper No(s)/Mail Date. _____.
5) ☐ Notice of Informal Patent Application (PTO-152)
6) ☐ Other: _____.

DETAILED ACTION

Notice to Applicant

1. In the amendment filed 10/6/05, the following has occurred: Claims 1, 3, 15 and 21 have been amended, claims 4-5, 18-19 and 24 have been canceled and claims 29-30 have been added. Now claims 1-3, 6-17, 20-23 and 25-30 are presented for examination.

Claim Rejections - 35 USC § 102

2. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

> A person shall be entitled to a patent unless –
>
> (e) the invention was described in a patent granted on an application for patent by another filed in the United States before the invention thereof by the applicant for patent, or on an international application by another who has fulfilled the requirements of paragraphs (1), (2), and (4) of section 371(c) of this title before the invention thereof by the applicant for patent.

The changes made to 35 U.S.C. 102(e) by the American Inventors Protection Act of 1999 (AIPA) and the Intellectual Property and High Technology Technical Amendments Act of 2002 do not apply when the reference is a U.S. patent resulting directly or indirectly from an international application filed before November 29, 2000. Therefore, the prior art date of the reference is determined under 35 U.S.C. 102(e) prior to the amendment by the AIPA (pre-AIPA 35 U.S.C. 102(e)).

3. Claims 1, 2, 7, 9-10, 13-16, 18-23 and 27-28 are rejected under 35 U.S.C. 102(e) as being clearly anticipated by U.S. Patent No. 6,208,973 to Boyer et al. for substantially the same reasons given in the previous Office Action (see paper dated 4/6/05). Further reasons appear below.

(A) Claims 2, 7, 9-10, 13, 14, 16, 18-20, 22-23 and 27-28 have not been amended, and are rejected for the same reasons given in the previous Office Action (see paper dated 4/6/05), and incorporated herein.

As per claim 1, Boyer et al. teaches a computer-based method for facilitating compliance with rules governing coverage by a third party payor for health care provided to a beneficiary by a provider, wherein the health care is administered under the medical benefit, comprising the steps of:

(1) receiving an order for the health care, said order includes an HCPCS product code corresponding to the health care is met by a claim for a particular employee received by the adjudication engine (22, Fig. 1) (see: column 7 lines 61-67). In addition, Boyer et al. teaches one of the three database that includes a Common Procedural Coding System (HCPCS) for classifying and reporting durable medical equipment for Medicare transaction (see: column 9, lines 24-42);

(2) applying the rules associated with said order is met by the rules processor (30, Fig. 1) that resides at the center of the adjudication engine (22, Fig. 1) with the purpose of adjudicating and pricing healthcare transaction (see: column 8, lines 8-11);

(3) determining the level of coverage by the third party payor for said order is met by the rules processor (30, Fig. 2A) that lets the healthcare provider (12, Fig. 1) know what the third party payor (24, Fig. 1) is willing to reimburse for a given patient's healthcare transaction (see: column 9, lines 21-23 and column 15, lines 1-6);

(4) processing payment for said order is met by the settlement of the Adjudicated Settlement Transaction and the health provider (12, Fig. 1) receiving payment for the healthcare transaction for which the patient is responsible (see: column 10, lines 35-52); and

(5) processing fulfillment of said order is met by the settlement of the Adjudicated Settlement Transaction and the health provider (12, Fig. 1) receiving payment for the healthcare transaction for which the patient is responsible (see: column 10, lines 35-52);

(6) mapping said HCPCS product code to at least one more specific product code is met by one of the three database that includes a Common Procedural Coding System (HCPCS) for classifying and reporting durable medical equipment for Medicare transaction (see: column 9, lines 24-42) In addition, Boyer et al. teaches a classification system with a set of rules to determine when sets of individual procedures are to be combined into single more comprehensive ones (bundling) (see: column 9, lines 15-52); and

(7) providing said at least one more specific product code to said third party payor is met by the rules processor (30, Fig. 2A) that compares and executes rules using the American Medical Association which set the (CPT) standard which is a classification system with a set of rules to determine when sets of individual procedures are to be combined into single more comprehensive ones (bundling) (see: column 9, lines 15-52). In addition, Boyer teaches that all claim information including the results of adjudication, is preferably sent to the third party payor (24, Fig. 1) in a nightly batch (see: column 10, lines 57-59).

As per claim 15, the system claim differs from claim 1, in that claims 1 contain a method recited as a series of function steps whereas claim 15 contain features recited in a "means plus function" format. As the method of step claim 1 has been shown to be disclosed or obvious by

the teachings of Boyer et al., it is readily apparent that the "means" to accomplish those method steps is obvious in view of the prior art. As such, the limitations recited in claim 1 are rejected for the same reasons given for method claim 1, and incorporated herein.

As per claim 21, it repeats the subject matter of claim 15, as a set of "computer program product" elements rather than a series of steps. As the underlying processes of claim 15, has been shown to be obvious in view of the teachings of Boyer et al. in the above rejections of claim 15, it is readily apparent that the system disclosed by Boyer et al. includes a computer program including computer code on a computer readable medium to perform these functions. As such, these limitations are rejected of the same reasons given above for system claim 15, and incorporated herein.

Claim Rejections - 35 USC § 103

4. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

5. Claims 3, 6, 8, 11-12, 17 and 25-26 and 29-30 are rejected under 35 U.S.C. 103(a) as being unpatentable over U.S. Patent No. 6,208,973 to Boyer et al. and U.S. Patent No. 5,704,044 to Tarter et al.

As per claim 3, Boyer et al. teaches the claimed step (1) comprises receiving an order including:

(a) beneficiary information is met by adjudicated settlement transaction statement or invoice that specifies how much the customer is responsible for (see: column 6, lines 8-13);

(b) third party payor information is met by adjudicated settlement transaction statement or invoice that specifies how much the third party payor will pay on a given claim (see: column 6, lines 8-13); and

(d) disease or wound information associated with the health care is met at step 206 where the healthcare provider enters patient's preliminary diagnosis data to begin the claim (see: column 13, lines 31-35).

Boyer et al. fails to teach the claimed (c) prescription information associated with the health care.

Tarter teaches a computerized method and system for providing services provider's access to an on-line adjudication network that involves a patient or customer presents a pharmacy with a prescription and the pharmacist utilizes his in-house prescription system and gathering the necessary information about the prescription, the patient and his insurance coverage (see: column 5, lines 5-9). In addition, Tarter teaches that in response to pharmacy's claim an adjudication evaluates the validity of a claim by reference to the patient's eligibility and formulary rules of a plan, such as drug products allowed, types of permitted drug interactions and dosage, prices which will be reimbursed by the particular plan (see: column 5, lines 18-27).

One of ordinary skill in the art at the time the invention was made would have found it obvious to include patient's eligibility and formulary rules of a plan taught by Tarter et al. within the adjudication payment system as taught by Boyer et al. with the motivation of providing a means for quickly purchasing selected accounts receivables from service providers, collecting on those receivables directly from the obligor or their agents, and reconciling the claims and payment (see: Tarter: column 9, lines 18-25).

As per claims 29-30, they are rejected for the same reasons set forth in claim 3.

Response to Arguments

6. Applicant's arguments filed 10/6/05 have been fully considered but they are not persuasive. Applicant's arguments will be addressed hereinbelow in the order in which they appear in the response filed 10/6/05.

(A) In the remarks, Applicants argue in substance that, (1) The product codes cited in the Boyer reference do not relate back to a specific product; and (2) Boyer and/or Tarter fail to teach mapping HCPCS product codes to at least one more specific product code and providing this more specific product code to a third party payor.

(B) In response to Applicant's argument that, (1) The product codes cited in the Boyer reference do not relate back to a specific product and (2) Boyer and/or Tarter fail to teach mapping HCPCS product codes to at least one more specific product code and providing this more specific product code to a third party payor. The Examiner respectfully submits that the Boyer et al. reference teaches one of the three database that includes a Common Procedural Coding System (HCPCS) for classifying and reporting durable medical equipment for Medicare transaction (see: column 9, lines 24-42). In addition, Boyer et al. teaches a classification system with a set of rules to determine when sets of individual procedures are to be combined into single more comprehensive ones (bundling) (see: column 9, lines 15-52). This inherently teaches that sets of individual procedures involved in a claim are unbundled and the rules engine compares and checks the procedure codes before they are bundled. Furthermore, Boyer et al. teaches a rules processor (30, Fig. 2A) that compares and executes rules using the American Medical Association which set the (CPT) standard which is a classification system with a set of rules to

determine when sets of individual procedures are to be combined into single more comprehensive ones (bundling) (see: column 9, lines 15-52). Additionally, Boyer teaches that all claim information including the results of adjudication, is preferably sent to the third party payor (24, Fig. 1) in a nightly batch (see: column 10, lines 57-59). This clearly discloses that mapping of HCPCS product codes, including one or more specific product codes is done before bundling of the claims using the rules engine as well as providing these specific product code to a third party payor as described above by Boyer et al.

Conclusion

THIS ACTION IS MADE FINAL. Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Robert W. Morgan whose telephone number is (571) 272-6773. The examiner can normally be reached on 8:30 a.m. - 5:00 p.m. Mon - Fri.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Joseph Thomas can be reached on (571) 272-6776. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

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